take over telephone systems already working. This is an ominous sentence to an industry which is already overburdened with taxation. I should therefore be grateful if, when a Select Committee is formed, I am given a chance to express my views.

The motion that the Bill be read was put to vote and carried.

The Secretary then raed the titel of the Bill -- "The Travancore Telephone Bill."

MR. PUTHUPALLI S. KRISHNA PILLAI : I beg to move that the Travancore Telephone Bill be referred to a Select Committee consisting of

Messrs: S. Krishna Aiyar,
Kottalil P. Abraham,
P. C. Adichan,
D. Francis,
N. John Joseph,
Dr. C. R. Harler,
K. P. Kochukora Thararkan,
P. Narayana Pillai,
K. G. Kunjukrishna Pillai,
Kotiveetil Ramankunju,
S. Chattanatha Karayalar,
Joseph Vithayathil and
The Legal Remembrancer,

to report within theree months.

MR. M. P. JOSEPH : I second it.

The motion was put to vote and carried.

THE TRAVANCORE CREDIT BANK ACT AMENDMENT BILL.

MR. PUTHUPALLY S. KRISHNA PILLAI : I beg to introduce the Travancore Credit Bank Act Amendment Bill.

I am sure honourable members will remember the various provisions contained in the Credit Bank Act which was passed by this Assembly not very long ago. Section 17 of that Act provides that the Credit Bank may enter into negotiations with Government and take over the business of the State Land Mortgage Bank. There is therefore statutory authorisation for the Credit Bank to carry on the work of the Land Mortgage Bank.

Section 23 of the Act provides that in respect of loans granted by the Credit Bank the summary process under the Revenue Recovery Act might be availed of.

Now, Sir, actually, when Section 17 was about to materialise, it was discovered that, under the provisions of the Credit Bank Act

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loans taken from the Land Mortgage Bank would not become, under Section 17, loans granted by the Credit Bank. And, except in the case of loans granted by the Credit Bank, Section 23 would not apply, and the summary processes under the Revenue Recovery Act would not be available. Government can only assign the securities in regard to loans granted by the State Land Mortgage Bank. They cannot assign their statutory right to avail themselves of the provisions of the Revenue Recovery Act. And, obviously, this House would not like the Government to be empowered to assign away such right of theirs to whomsoever they like.

In order to make the provision clear, in order to bring within the purview of Section 23 the loans granted by the Land Mortgage Bank also, this Bill has been brought in.

I move that the Bill be read in the Assembly.

MR. M. P. JOSEPH : I second it.

The motion was put to vote and carried.

The Secretary then read the title of the Bill.

"The Travancore Credit Bank Amendment Bill."

MR. PUTHUPALLY S. KRISHNA PILLAI : I request that the Standing Order may be suspended, and I may be permitted to move for the second reading of he Bill.

PRESIDENT : The Standing Order is suspended.

MR. PUTHUPALLY S. KRISHNA PILLAI : I request that the Bill be now considered.

MR. M. P. JOSEPH : I second it.

The motion was put to vote and carried.

Clauses 1 and 2.

The question that clauses 1 and 2 do form part of the Bill was put to vote and carried.

The clauses were added to the Bill.

Preamble and title.

The question that the preamble and title do form part of the Bill was put to vote and carried.

The preamble and title were added to the Bill.

MR. PUTHUPALLY S. KRISHNA PILLAI: I beg to move that the figure '4' be inserted after the figures '111.' There is also a clerical mistake which may be corrected.

The amendment was put to vote and carried.

Figure '4' was inserted after the figures '111'.

PRESIDENT : Figure '8' has wrongly been put in there; apparently it is a clerical mistake. It is rectified.

MR. PUTHUPALLY S. KRISHNA PILLAI : I beg to move that the Bill be passed.

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MR. M. P. JOSEPH : I second it.

The motion was put to vote and carried.
The Bill was passed.

THE TRAVANCORE NEGOTIABLE INSTRUMENTS REGULATION AMENDMENT BILL.

MR. PUTHUPALLY S. KRISHNA PILLAI : Sir, I beg to introduce the Travancore Negotiable Instruments Regulation Amendment Bill.

I have not much to add to what has already been stated in the Statement of Objects and Reasons attached to the Bill. I may however mention that, for some time this question of amending the Negotiable Instruments Regulation with a view to bring it on a par with the British Indian Act, has been engaging the attention of Government. Also, years ago, the Banking Enquiry Committee made a specific recommendation in this behalf; however, nothing could be done in that direction till now.

The question has been thoroughly gone into now, and all the necessary amendments have been made with a view to bring this measure into line with the British Indian Act. As my lawyer friends would be aware, it was a ruling of the Bombay High Court which drew pointed attention to the fact that the definition of the expression 'Negotiable Instrument' in the Act, was not in conformity with mercantile practice. That defect has now been rectified there, and the definition has been brought into conformity with the definition contained in the English Bills of Exchange Act. That definition has been adopted in this Bill also.

I may also say that the figure "24" has been changed into "48" with regard to the time fixed for the purpose of determining whether a person ought to accept an instrument when presented.

I would like to draw the pointed attention of the House to clause 8 of the Bill which provides that, notwithstanding any agreement to the contrary, if the instrument does not specifically provide the rate of interest, the rate of interest shall be presumed to be six per cent.

Clauses 9, 10 and 12 are intended for the protection of persons carrying on banking business. It is not desirable that the Travancore bankers alone are not given this protection while bankers in British India get it; hence the provision.

MR. M. P. JOSEPH : I second the motion.

The motion was put to vote and carried.

The Secretary then read the title of the Bill —

"The Travancore Negotiable Instruments Regulation Amendment Bill."

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